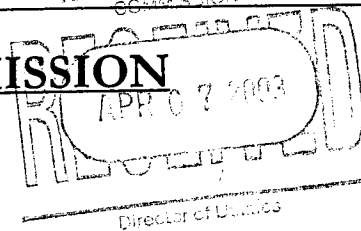


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

E

W-01351A
Elfrida Domestic Water Users Association
P.O. Box 356
Elfrida AZ 85610

ANNUAL REPORT

FOR YEAR ENDING

12	31	2002
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*Entered
4-8-03
CYN.*

FOR COMMISSION USE

ANN 04	02
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COMPANY INFORMATION

12-31-02

Company Name (Business Name) ELFRIDA DOMESTIC WATER USERS ASSOCIATION

Mailing Address P.O. Box 356
(Street)

ELFRIDA
(City)

ARIZONA
(State)

85610
(Zip)

520-642-3559
Telephone No. (Include Area Code)

520-642-1219
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address SAME
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: PAUL HAMMOCK
(Name)

(Title)

10858 N. MARTINEAU
(Street)

ELFRIDA
(City)

ARIZONA
(State)

85610
(Zip)

520-642-3559
Telephone No. (Include Area Code)

520-642-1219
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: SAME
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: DALE MORTENSON

(Name)

P.O. Box 96

(Street)

ELFRIDA

(City)

ARIZONA

(State)

85610

(Zip)

520-642-3682

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: PAUL A. SMITH

(Name)

312 AZ. ST. (P.O. Box 5645)

(Street)

BISBEE

(City)

ARIZONA

(State)

85603

(Zip)

520-432-6970

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☒ Other (Describe) A NON-STOCK CORPORATION

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☒ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

UTILITY PLANT IN SERVICE

YEAR ENDED

12-31-07

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	8,986	5,194	3,792
307	Wells and Springs	39,253	19,555	19,698
311	Pumping Equipment	19,994	14,228	5,766
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	8,103	8,103	- - -
331	Transmission and Distribution Mains	77,543	54,675	22,868
333	Services	7,765	5,678	1,587
334	Meters and Meter Installations	6,700	5,741	459
335	Hydrants	673	673	- - -
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	168,017	113,847	54,170

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

YEAR ENDED 12-31-02

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	8,986	5%	449
307	Wells and Springs	39,253	5%	1,963
311	Pumping Equipment	19,994	5%	1,000
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	8,103	5%	-0-
331	Transmission and Distribution Mains	77,543	5%	3,877
333	Services	7,265	5%	363
334	Meters and Meter Installations	6,200	5%	310
335	Hydrants	673	5%	34
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	168,017		7,635

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

BALANCE SHEET

12-31-02

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$	\$
134	Working Funds	11,334	22,603
135	Temporary Cash Investments	2,198	2,215
141	Customer Accounts Receivable	4,595	1,079
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	300	300
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 18,427	\$ 26,197
	FIXED ASSETS		
101	Utility Plant in Service	\$ 168,017	\$ 168,017
103	Property Held for Future Use		
105	Construction Work in Progress	5,565	86,126
108	Accumulated Depreciation - Utility Plant	104,212	113,847
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 67,370	\$ 140,296
	TOTAL ASSETS	\$ 85,797	\$ 166,493

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)12-31-02

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 250	\$ 1,250
232	Notes Payable (Current Portion)	-	13,086
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	2,000	2,140
236	Accrued Taxes	1,345	3,864
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 3,595	\$ 20,340
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ 52,788
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	22,004	22,004
272	Less: Amortization of Contributions	2,919	3,995
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 19,085	\$ 18,009
	TOTAL LIABILITIES	\$ 22,680	\$ 91,137
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	63,117	75,356
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 63,117	\$ 75,356
	TOTAL LIABILITIES AND CAPITAL	\$ 85,797	\$ 166,493

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

		YEAR ENDED 12-31-02	
Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 49,226	\$ 62,065
460	Unmetered Water Revenue	2,099	811
474	Other Water Revenues	89	-
	TOTAL REVENUES	\$ 51,414	\$ 62,876
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 8,882	\$ 8,534
610	Purchased Water		
615	Purchased Power	7,773	8,811
618	Chemicals		
620	Repairs and Maintenance	4,041	3,094
621	Office Supplies and Expense	1,655	4,495
630	Outside Services	3,515	2,200
635	Water Testing	1,125	2,535
641	Rents	3,962	3,176
650	Transportation Expenses	4,143	3,401
657	Insurance - General Liability	858	1,269
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense		687
403	Depreciation Expense	8,066	7,635
408	Taxes Other Than Income	230	1,403
408.11	Property Taxes	2,134	3,344
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 46,384	\$ 50,584
	OPERATING INCOME/(LOSS)	\$ 5,030	\$ 12,292
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 20	\$ 22
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		550
	TOTAL OTHER INCOME/(EXPENSE)	\$ 20	\$ (528)
	NET INCOME/(LOSS)	\$ 5,050	\$ 11,764

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-02

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 150,000	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 2,140

Meter Deposits Refunded During the Test Year

\$ 360

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

WATER COMPANY PLANT DESCRIPTION

12-31-02
WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-573834	NEW	WELL NOT PUMPING	YET			
55-608154	30	250		12"	4"	
55-608155	15	100		12"	6"	

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NONE		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	2	11	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
55,000 GAL.	1	6,000 GAL.	1
		5,000 GAL.	1

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-02

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PC	2640
3	Transite	3960
4	PVC	6080
5	N/A	
6	Transite & PC	14520
8	N/A	
10	N/A	
12	N/A	

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	143
1	
1 1/2	
2	4
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

① 24x24x8 Pump House

OTHER:

1 Compactor 2000.00
1 Trash Pump 2189.94

COMPANY NAME: ELFRIDA DOMESTIC WATER USERS ASSOCIATION

12-31-02

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	219	1,517,340	1,550,747
FEBRUARY	216	1,499,150	1,559,682
MARCH	216	2,365,972	2,416,351
APRIL	214	2,905,228	2,966,392
MAY	214	3,911,730	3,993,024
JUNE	216	4,604,010	4,699,150
JULY	215	4,086,620	4,171,412
AUGUST	216	2,809,980	2,869,239
SEPTEMBER	222	3,248,190	3,316,213
OCTOBER	219	4,648,910	4,744,948
NOVEMBER	218	1,785,362	1,824,129
DECEMBER	216	3,018,273	3,081,698
TOTAL		N/A	37,192,985

36400765^{one}

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes

☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes

☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. -0- mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME ELFRIDA DOMESTIC WATER USERS Assoc. YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 2,111.50

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

01 909-11-270 6
ELFRIDA DOMESTIC WATER USERS ASSOCIATION
P. O. BOX 356
EL FRIDA, AZ 85610

2263

PAY
TO THE
ORDER OF

Cochise Co. Treasurer

9-25 2001

91-170/1221

One Thousand Sixty and $\frac{83}{100}$

\$ 1060.83

DOLLARS  Security features are included. Details on back.

 **Bank of America**

Douglas Branch 08422
1001 S. G Ave.
Douglas, AZ 85607
257-0001 In Phoenix, 1-800-284-8491 Nationwide

FOR 87485-109704

Changwa D
Paul L

⑈002263⑈ ⑆122101706⑆

002⑈80262⑈

⑈0000106083⑈

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

P. O. BOX 356
ELFRIDA, AZ 85610

01-909-11-270-6

2390

PAY
TO THE
ORDER OF


Cochise Co. Treasurer

DATE 5/13/02

91-170/1221 AZ
8422

One Thousand Fifty and $\frac{67}{100}$

\$ 1050.67

DOLLARS  Security features are included. Details on back.

Bank of America

ACH R/T 122101706

FOR 2nd HALF TAX 109704 909-11-2706

Changwa D
Paul L

⑈002390⑈ ⑆122101706⑆ 00000280262⑈

⑈0000105067⑈

COMPANY NAME ELFRIDA DOMESTIC WATER USERS ASSOCIATION YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 100-
Estimated or Actual Federal Tax Liability 100-

State Taxable Income Reported 100-
Estimated or Actual State Tax Liability 100-

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 100-
Amount of Gross-Up Tax Collected 100-
Total Grossed-Up Contributions/Advances 100-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

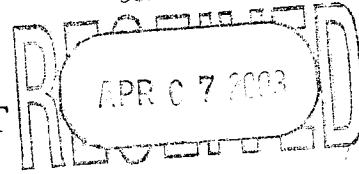
The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Paul Hammock
SIGNATURE

April 5/03
DATE

PAUL HAMMOCK
PRINTED NAME

SEC. - TREASURER
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only****VERIFICATION**

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	COCHISE
NAME (OWNER OR OFFICIAL) TITLE	PAUL HAMMOCK SEC. & TREAS.
COMPANY NAME	ELFRIDA DOMESTIC WATER USERS ASSOCIATION

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 62,065

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3,088
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

5th

DAY OF

(SEAL)

MY COMMISSION EXPIRES

8/10/06

Paul Hammock Sec. & Treas. / Manager
SIGNATURE OF OWNER OR OFFICIAL
520-642-3559
TELEPHONE NUMBER

COUNTY NAME	Cochise
MONTH	April
YEAR	2003

Donald L. Bartol, Jr.
SIGNATURE OF NOTARY PUBLIC

OFFICIAL SEAL
DONALD L. BARTOL, JR.
NOTARY PUBLIC-ARIZONA
COCHISE COUNTY
My Comm. Expires Aug. 10, 2006